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PROMOTING STAKEHOLDER PARTICIPATION IN ECONOMIC TRANSITION (PROSPECT) COOPERATIVE AGREEMENT COMPLETION REPORT

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Promoting Stakeholder Participation in Economic Transition (PROSPECT)]

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1. INTRODUCTION

Management System's International's 'Promoting Stakeholder Participation in Economic Transition' (PROSPECT) was designed to strengthen economic stakeholders as constituencies promoting democratic governance in Nigeria. On September 15, 2002 USAID/Nigeria awarded a two-year Cooperative Agreement (CA No. 620-A-00-02-00139-00) providing \$2,000,000.00 to support the implementation of this project. Of this amount, \$250,000.00 was set aside for sub grants to local organizations. In September 2004 the Cooperative Agreement was extended for six months, through March 15, 2005, at no additional cost.

The PROSPECT project contributed to the achievement of USAID/Nigeria's first and second Strategic Objectives: *Transition to Democratic Civilian Governance Sustained* (SO1) and *Strengthen Institutional Capacity for Economic Reform* (SO2). Specifically, the project fostered the conditions necessary for civil society organization to have a greater influence on policies, provide expanded civil society oversight of public institutions, and increase the responsiveness of government officials – primarily at the federal level – using the mechanism of public expenditure management as the principle entry point. As a two year project, the PROSPECT project was designed with realistic objectives and demonstrated a functional approach to working with civil society organizations as a positive force of change as well as highlighting the impact such work can have for the development of democratic governance in Nigeria.

MSI worked with popular organizations in each of Nigeria's geopolitical zones to increase their understanding of the concepts of public expenditure management and democratic governance in Nigeria, and to expand the number and quality of actions they undertake to strengthen democratic governance at the federal level. Through the building of networks and coalition, the PROSPECT project enabled civil society organizations to more effectively aggregate popular demand for democratic governance.

This final report covers project implementation during the entire period of the PROSPECT project, September 15, 2002 – March 15, 2005.

In the first six months of project implementation MSI held a series of strategic meetings with partner/sub contractor organizations and USAID staff; conducted a series of focus group meetings; and held in depth interviews with selected civil society organizations. During the focus group meetings more than 145 economic stakeholders – primarily non governmental organizations – participated in 6 focus groups (one in each of the North East; North West and North Central geopolitical zones; and in Lagos, Ibadan and Port Harcourt in the south). The focus groups introduced participants to PROSPECT project, its goals, and anticipated activities. Short survey questionnaires distributed at the end of each group enabled us to put together a database with basic information on the 133 organizations that filled them out. The discussions themselves proved a useful method of gathering information about stakeholder views on economic policy problems, economic policies and policy processes in Nigeria. Finally, the focus groups provided a vehicle for establishing general base line indicators on economic literacy.

The first phase of the project concluded with the assessment report – the first deliverable – submitted to USAID on March 1, 2003. The report made recommendations on project activities for phases two and three as well as identified 5 non-governmental organizations as potential sub grantees. In May 2003 the report and its recommendations was approved by USAID Nigeria and the second phase of the project began. This was somewhat later than anticipated and USAID Nigeria indicated that the delay was due to security concerns within Nigeria and the 2003 elections in that country.

The second phase of the project centered on capacity building activities for sub-contractors and sub-grantees. MSI used its Institutional Development Framework (IDF) toolkit to identify areas for assistance as well as to establish baseline data. MSI also provided training to better understand the idea of cost sharing and provide mechanisms to track this in kind contribution. These activities and training were concentrated during the May 2003 to December 2003 period but were continued through the life of the project.

The third and final phase of the project saw the sub-grantees develop new and innovative approaches to the issues of developing economic literacy and the roll out of a series of workshops designed to provide training to other organizations in each of the geopolitical zones and to better assess the issues which were to feed into the development and implementation of their own advocacy campaigns. In addition, the PROSPECT project also identified other popular campaigns to provide assistance. These included the “Publish What You Pay” (PWYP) coalition which was examining the Nigeria Extractive Industries Transparency Initiative (N-EITI); the “Stolen Wealth Campaign” which was campaigning for the return of state assets looted by former military regimes and ensuring that the funds were used to meet MDGs; the “Budget Transparency Network” (BTN) which emerged from the work that the PROSPECT project was directly engaged in; and the “Freedom of Information” (FOI) Coalition. The work of the original sub-grantees and these additional campaigns resulted in additional funds being allocated and the total sum allocated in sub grant agreements increased from the original figure required by USAID/Nigeria of \$250,000.00 to over \$400,000.00

2. SUMMARY OF PROGRAM INPUTS

As mentioned, the PROSPECT project’s inputs were structured through three distinct phases. Phase I was structured as a three-stage assessment designed to glean information about economic stakeholder organizations in Nigeria, understand their views on economic policy and problems in Nigeria, and determine the institutional capacity of select economic stakeholder organizations. MSI recommended that five NGOs be chosen for participation/sub grants through the PROSPECT project. Two of these organizations were from the north – Community Action for Popular Participation (CAPP) based in Abuja and ABANTU for Development based in Kaduna – while the remaining three were from the south – ANPEZ Centre for the Environment and the Entrepreneurial Development Initiative (ENDIP), both based in Port Harcourt and the Centre for African Settlement Studies and Development (CASSAD), based in Ibadan. Each of these organizations represented a specific constituency and/or had particular sector interests. CAPP was primarily interested in the area of popular participation/anti-corruption; ABANTU was interested in gender budgeting and analysis; ANPEZ focused on the environment; ENDIP on micro/small enterprise; and CASSAD on agriculture/rural development.

In Phase II, the selected sub grantee organizations received targeted assistance in critical areas such as capacity building, financial management, and strategic planning. During Phase II, the PROSPECT project also established mechanisms for communications and information management and for production of policy analysis and research.

In Phase III, economic stakeholders —civil society, the organized private sector, the traditional social partners, and government—were the principle drivers of the PROSPECT project. Educational and capacity building activities carried out under the second phase of the project were expanded and tailored to meet the needs of Phase III participants representing a larger cross-section of Nigerian organizations. PROSPECT, with the assistance of MSI’s sub-contractors - the Center for Research and Documentation (CRD) in Kano and the Center for Public-Private Cooperation (CPPC) in Ibadan - convened a series of seminars and workshops to assist in this phase of activities. The African Institute for Applied Economics

(AIAE), based in Enugu, was also engaged to assist in the development of policy statements to be utilized in advocacy campaigns. Finally, Phase III activities saw the implementation of a variety of advocacy campaigns, seizing upon the opportunity which had opened up due to political developments, namely the placement of an economic reform team following the May 2003 elections.

2.1 PHASE I ASSESSMENT REPORT

The Assessment Structure and Methodology for Recommendation of Grantees

The first phase of the PROSPECT project was designed as a three-stage process: 1.) Focus Groups; 2.) Expression of Interest Applications; and 3.) Site Visits. This was an integrated approach to achieving the assessments objectives:

- 1.) Assist USAID by identifying and gaining information about organizations - CSOs, NGOs, and think tanks - throughout Nigeria;
- 2.) Assist USAID in selecting four or five organizations as PROSPECT Phase II/III sub grantees which were to complement more traditional participants in policy dialog;
- 3.) To initiate discussions with labor, business, professional associations and the organized private sector as a means of securing and detailing their collaboration in the project;
- 4.) To identify a larger group of organizations to participate in Phase III activities.

Stage One: Focus Groups

PROSPECT invited non-state economic stakeholders to participate in formal focus groups in November 2002. The PROSPECT team cast a wide net, identifying and inviting a broad range of stakeholder organizations. CRD organized focus groups in the North West, North Central and North East Nigeria; CPPC organized those in Ibadan, Port Harcourt and Lagos. More than 145 economic stakeholder organizations were represented. The focus groups introduced participants to PROSPECT project, its goals, and anticipated activities. Short survey questionnaires distributed at the end of each group enabled us to put together a database with basic information on the 133 organizations that filled them out. The discussions themselves proved a useful method of gathering information about stakeholder views on economic policy problems, economic policies and policy processes in Nigeria.

Stage Two: Expression of Interest Process

The PROSPECT team recognized the need for a process of screening grantees that was transparent, fair, unbiased and avoided any conflict of interest. To that end, we relied on an Expression of Interest (EOI) process as a means of identifying economic stakeholders that were indeed eager to participate in a policy dialog project, seeking the specific assistance offered, and that had the capacity to make use of that assistance. PROSPECT developed a specific set of criteria, vetted by USAID/Nigeria, to determine which of organizations participating in the focus groups would receive an EOI application. (The EOI solicitation and application, as well as a list of organizations solicited, are in the Annex.) The criteria were chosen with a view to separate start-up organizations (or those owned and operated by a single individual) from organizations with a minimum of institutional capacity, to ensure that each organization constituted a clearly “economic” stakeholder, and that it helped maintain PROSPECT’s geographic diversity. Evaluation of the criteria was based on the information obtained from the focus group questionnaires. In December 2002, sixty-five organizations which had participated in the focus groups received EOI solicitations. In January 2003, forty-three of those submitted EOI applications to PROSPECT. These applications were then evaluated in preparation for the next and last step in the screening process.

Stage Three: Evaluating the Expression of Interest Applications/Subsequent Site Visits

During the January-February 2003 TDY to Nigeria, the PROSPECT team made site visits, reaching eighteen organizations in nine cities throughout Nigeria. These site visits constituted the last stage in screening process. PROSPECT used explicit and transparent criteria in selecting these eighteen organizations. These were: 1.) Score on an index of organizational capacity based on information provided in the Expression of Interest applications; 2.) Location and geographic diversity; 3.) Stakeholder representation; 4.) Organizational type; 5.) Fit between the goals and objectives of PROSPECT; 6.) The organization's mission and record of work and interest in economic policy; 7) Answers to questions about reasons for interest in PROSPECT. PROSPECT developed a new protocol for the site visits. We used this protocol first as a means of extending our analysis of institutional capacity. We used it as well to gauge each organization's expertise in different areas of economic policy, sophistication of policy analysis, and record of work on a diverse set of "policy-related" activities. The conversations afforded us the chance to ascertain interest in a policy dialog project. Finally, they served as an important mechanism for gaining information critical to the development of activities in Phase II and Phase III.

Recommendation of Grantees Factors for Evaluation and Criteria

The PROSPECT team set forth very strict criteria for the final recommendation of grantees. Again, all eighteen organizations were evaluated on several key factors:

- The organizations had to surpass high threshold measures for all criteria on aspects of institutional capacity and previous performance with donors, on the quality and extent of work in policy-related activities, on activism and advocacy, and on depth of economic expertise, for example.
- The fit between PROSPECT's objectives and mission, and those of the organization.
- The fit between PROSPECT's strategic approach and the organization's main functions.
- How this organization secures the inclusion of key economic stakeholders - complementing traditional stakeholders and the organized private sector - to broaden policy dialog.
- How the organization extends PROSPECT's reach to economic stakeholder organizations, in various states, regions, and zones throughout Nigeria and among specific constituencies.
- The organization's value as a convener, assisting PROSPECT in reaching out to a wider circle of CSOs.

Recommendations

After an extensive evaluation and assessment, PROSPECT is recommended five organizations as grantees: They were

- Center for African Settlement Studies and Development (CASSAD)
- Entrepreneurial Development Initiative (ENDIP)
- ABANTU for Development
- Community Action for Popular Participation (CAPP)
- Anpez Center for Environment and Development (ACFED)

There was a singular fit between the visions and objectives of each of these organizations and those of PROSPECT. Each had done significant work in key areas related to economic policy, poverty reduction, budgeting, and economic development. These are groups that have demonstrated the potential for a prominent role in the policy process. Each had expressed its keenness and ambition to expand or deepen its work on economic policy. Each had the absorptive and institutional capacity to use and make use of targeted assistance. Each was highly attuned to the reciprocal relations between PROSPECT and its grantees. Each allowed PROSPECT to reach out to significant constituencies in the larger universe of Nigerian organizations. Taken as a whole, they strengthened PROSPECT in several ways:

- Guaranteed the inclusion of key economic stakeholders (and constituencies) in policy dialog.
- Complemented traditional partners in policy dialog.
- Guaranteed coverage of Nigerian organizations in all political zones.
- Facilitated participation of Nigerian organizations throughout the country in PROSPECT activities.
- Permitted PROSPECT access to technical expertise in key economic sectors.

2.2 INSTITUTIONAL DEVELOPMENT FRAMEWORK WORKSHOPS

MSI has developed and widely applied an Institutional Development Framework (IDF) package that provides a systematic and objective approach for tracking the evolution of an organization from start-up to sustainability, based on four stages of capacity to perform vital institutional functions.¹ The package is useful for both self-assessments and external reviews, including multi-NGO umbrella projects.

Application of the IDF results in an institutional profile that graphically depicts relative strengths and weaknesses at specific stages of development. The IDF has been applied in Africa, Asia, Eastern Europe and Latin America. It can be used as a tool in: (1) developing institutional strengthening programs and training modules; (2) diagnosing resource and technical assistance needs; (3) applying a common lens for multi-NGO activities; and (4) measuring performance and monitoring institutional development.

In the course of the PROSPECT project all 4 uses were applied. For the original sub grantees the IDF toolkit was used to develop institutional strengthening programs and training modules; as a diagnostic resource; and, finally, as a tool to measure performance monitoring. The toolkit was also modified to include specific questions on economic policy. Finally, the toolkit was also applied to the Publish What You Pay (PWYP) coalition in order to provide the groups involved with a ‘common lens’.

The application of the IDF began in May 2003 with the assistance of MSI’s senior trainer who worked with our sub contractors to provide an overview of the toolkit and provided TOT sessions for their staff to serve as facilitators. He also introduced the toolkit to the original 5 PROSPECT sub grantees. Over the next 4 month period dates were agreed upon amongst PROSPECT office staff, sub contractors and sub grantees and the organizational self assessments were conducted in which the Chief of Party and a representative of PROSPECT’s sub contractors served as facilitators. Typically each self assessment lasted three days.

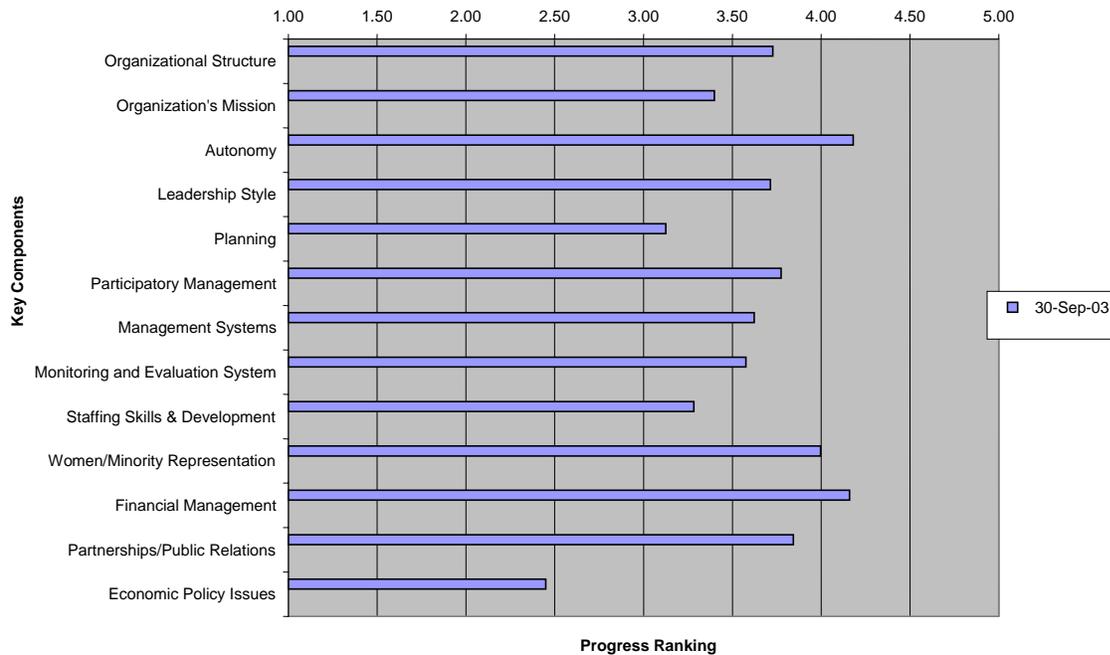
Participants collectively assess their organization’s Vision/Oversight as well as its Management Resources, Human Resources, Financial Resources, and External Resources. Given the nature of the PROSPECT project, the basic format was modified to include question on understanding macroeconomic policy. Based on both individual and weighted results as well as agreement on priority attention areas by the organizations, participants also decided which areas within their organization were to be targeted in an institutional strengthening plan and develop an organizational improvement plan. Finally, the scoring served as a baseline against which the success of future institutional strengthening efforts could be measured in subsequent time intervals.

Table 1 presents a graphic representation of the institutional capacity of the PROSPECT sub grantees as of October 2003, as determined by the sub grantees, with the assistance of the facilitator and the PROSPECT COP. Referred to as the Institutional Development Profile (IDP), it:

¹ More information about the approach can be found in “An Integrated TOOLKIT for Institutional Development”, Public Administration and Development, Vol. 16, 469-483 (1996). The article can be accessed through the institutional strengthening section of www.msiworldwide.com.

- Provides a graphic representation to PROSPECT sub grantees of the average organizational strengths and weaknesses
- Provides a visual reminder of priorities for improvement.

Table 1. Resource Characteristic Summary Profile



The IDP presents summary scores for various aspects of institutional development (the rows in the figure below), sorted by “Resource”. The farther a bar goes the right, the further along the continuum from a “start-up” to a “sustainable” the organization is judged to be for a particular institutional aspect.

A cursory glance at the IDP reveals the following observations;

Organizational Structure (weighted average ranking: 3.73). The board component of this resource area is relatively strong indicating that the organizations have legally recognized boards which are actively involved in setting/oversight of organizational policy.

Organizational Mission/Autonomy (weighted average ranking: 3.40; 4.18). While the autonomy element was strong, there mission component was somewhat weaker. This was, in part, due to a specific question that was inserted into the IDF regarding the boards’ role in including economic policy considerations into the respective organizational mission statement. The purpose behind this spoke to one of the central goals of the PROSPECT project - making what is often implicit more explicit vis-à-vis the economic underpinning of their respective organizational thrust.

Leadership Style (weighted average ranking: 3.72). With exception of one sub grantee, all of the organizations selected for participation in the PROSPECT project had long histories and were well established and thus have moved beyond the common problems associated with NGOs of being overly influenced by the founder, etc., and had good leadership style characteristics.

Planning (weighted average ranking: 3.13). This resource component was somewhat weaker and all participants expressed interest in having further technical training provided in this area.

Participatory Management/Management Systems (weighted average ranking: 3.77; 3.62).

The graph indicates that both these resources areas are relatively strong and that systematic procedures are in place and functioning. The results also suggest that the organizations have established formal and informal communication channels enabling full participation of its constituents in decision-making.

Monitoring and Evaluation (weighted average ranking: 3.58). Again, M&E procedures were in place in each of the organizations and this accounted for a relatively high ranking - although some organizations requested additional assistance.

Staffing Skills/Development (weighted average ranking: 3.28). As with the organizational mission characteristic, this was modified to include issues specific to the PROSPECT project in areas of integrating macroeconomic policy and thus the ranking was somewhat weaker than others. Participants understood that association with the project would result in increased skills in this area.

Women/Minority Representation/Financial Management/Partnerships (weighted average ranking: 4.0; 4.16; 3.84). The organizations view themselves comparatively strong in these characteristics, with Women/Minority Representation and Financial Management, extending into the sustainable stage. The results of the partnership resource characteristic suggested that the organizations are strong on advocacy but lack experience of collaborating formally and informally on common causes with partners such as local and national government and with NGOs.

Economic Policy Issues (weighted average ranking: 2.45). This characteristic was, expectedly, the weakest and the organizations uniformly acknowledged that while they implicitly understood the relevance of economic policy issues they lacked the skills to fully integrate these matters into their day-to-day activities. They expressed as lack of understanding of basic concepts surrounding the budgeting process. While some organizations had participated in workshops on these issues, most felt the need for more technical training in this regard.

Priorities for Improvement

During each IDF session, much discussion was had over individual organizational priorities for improvement. In addition, a 2 day meeting was held with all the sub grantees to share with them the weighted finding and to identify areas for improvement that were common to all. Following this meeting, the PROSPECT sub grantees agreed that individual organizations would develop their own particular priorities based on their individual IDF material. It was also agreed that, as a group, the areas that were ranked below 3.5 should be priority areas for intensive attention during the next six-month to one -year time period:

- To create a steering committee consisting of the PROSPECT COP and sub grantees to develop long term plans. It was unanimously agreed that improved planning in the future had to form an integral part of PROSPECT's sub grantees' management of resources. Planning in the past has been ad hoc with little or no strategy. Strategic plans (short, medium and long term) that have monitoring and evaluation devices were thus seen as necessary for each of the sub grantees to achieve the necessary momentum to proactively gain support from other NGOs, government officials and other donors. Given the history of networks of NGOs and the challenges of limited resources in Nigeria, it was recognized that new ways of understanding the concept of networking was also necessary. As a group the goal was set to move collectively from the 'consolidation' stage (where they were with a ranking of 3.13) to the 'sustainability' stage and a ranking of greater than 4.0.

- Identify and implement a formal training program that focuses on core skills - management, accounting, and fund raising - to enhance staff capacity to perform their tasks more effectively. While it was clear that the PROSPECT sub grantees were highly motivated and willing to devote their time to the cause of both their organization and the project, the actual capability of the staff to perform their duties – especially in the area of macroeconomic policy – competently was limited by a lack of technical training and mentoring. Again, as a group, goals were set to see staffing skills move into the sustainability stage (4.0 or greater) from the ranking of 3.28 and to move into the consolidation stage for macroeconomic policy skills (3.0 or greater) from the development stage and existing ranking of 2.45.
- To identify opportunities to meet with individual sub grantee organizations’ board members to discuss way to improve issues such as fund raising, mission statements and principles as well as better understanding the relevance of macroeconomic policy as it pertains to their mission statement. The targeted goal was to move into the sustainability stage (4.0 or greater) from the present consolidation ranking of 3.40.

2.3 FINANCIAL MANAGEMENT TRAINING

The PROSPECT projects’ financial training sought to build upon the local capacity as indicated in the IDF process in order to build and strengthen the financial systems of the sub grantees and, in particular, their ability to participate fully in the cost share dimension of the program.

Six intensive two-day training workshops were held with both sub contractors and sub grantees over the May to September 2003 period with more specialized training taking place in the following period. In the first of these sessions MSI used both Mr. Cire Diallo of Save the Children USA/Ethiopia and its own financial controller, Ms. Eva Brzezinski to lead the training and provide technical advise to all PROPSECT participants. Mr. Diallo – Save the Children’s grant and cost share head – detailed the mechanisms underpinning the cost share component of the project and both Mr. Diallo and Ms. Brzezinski led the technical training on grant management an procedures as well as the financial reporting requirements necessary to comply with USAID rules and regulations. Over the following months these procedures were repeated by the PROSPECT project staff. The cost share component was made particularly difficult due to the cash nature of Nigerian society. More generally, as with many NGOs in other parts of the world, most had strict cash controls in place but when it came to monetizing ‘non-cash’ activities such tracking measures were non existent. While difficult, by the end of the project all of the sub grantees had integrated this into their financial management systems. An indication of the success was the degree to which PROSPECT’s sub grantees had contributed to the final cost share component of the project. The final materials/agendas can be found in Annex III.

2.4 PROJECT MANAGEMENT TRAINING

To ensure that all PROSPECT participants had a common understanding and the tools available to manage the project and to achieve its goals, as series of project management training sessions were held in October and November of 2003. It was decided that this would be done on an individual organizational level to allow for more in depth discussion following from individual IDF work held earlier in the year and to bring as many of the organizations’ staff together to participate in the training.

More generally, this was part and parcel of the overall capacity building component of the project to assist sub grantees to realize their full potential and more effectively manage their resources and, ultimately, assist in reaching sustainability.

The specific objective of the project management training sessions was to arrive at a common understanding of the role of PROSPECT partners and their initiatives. As a result, the workshops facilitated a process of building partnerships (both with PROSPECT sub grantees and sub contractors as well as amongst the wider CSO community); to create a platform for PROESECT partners working in the program to come together to share their experiences, expertise and resources as well as to bring in outside participants for sharing their insights for sustaining project initiatives.

A number of project management issues were identified as areas requiring further training:

- Information /knowledge management to establish a system of effective communication between the PROSPECT partners and the wider CSO community in Nigeria
- Sectoral linkages to strengthen the PROSPECT initiatives
- Advocacy
- Inter-organizational related issues

The four major issues that the workshops dealt with were: the development perspective and role of civil society vis-à-vis macroeconomic/budget policy; project management in the context of PROSPECT; the Institutional Development Framework results; and financial management and reporting. The workshop also deliberated on the role of USAID in supporting development initiatives in Nigeria. Following the inaugural session, seven sessions were organized in the workshops. The sessions were:

- Development Perspective and Challenges
- Review of IDF findings
- PROSPECT themes in local context
- Participatory Exercise (SWOT) on macroeconomic policy as it pertained to the organizations’ mission
- Project Management – PMP/LFA tools
- Project Management – Indicators and Milestones
- Financial Management and Reporting.

The sessions followed by the working group exercises set the background and stimulated the thinking process among the participants on the role of civil society and macroeconomic policy at the federal level as well as the challenges to build the capacity for engagement in the public policy process.

A considerable amount of discussion was devoted to the issues of monitoring and indicators. Specifically, participant’s raised questions such as:

- How to quantify ‘intangible’ issues/ soft issues?
- What is the linkage between output and indicators?
- How are indicators useful?
- Where do we connect indicators? (Inputs, Outputs, Outcomes)
- How flexible indicators can be?
- How to differentiate quantitative and qualitative outputs?
- Whether indicators can show cost/ time effectiveness?
- What are the selection criteria of an indicator?

The facilitator noted that monitoring is a mechanism of measuring the progress of all the programs/projects and activities within a specified timeframe. Monitoring is meant to help the project manger in implementing the project and achieving the goals of the project in a systematic manner. It is not to be viewed as an externally imposed process. The purpose of monitoring is to give appropriate feedback to actors, and to inform the managers about the possible areas of problem.

There was also discussion on the differences between monitoring, appraisal and evaluation. It was pointed out that appraisal is the critical analysis of capacities and capabilities while evaluation is a judgment about the outcomes achieved. The most important difference is that monitoring can and should be done by a person who is completely involved in the process. An external agent can not be an effective or appropriate monitor.

On the issue of indicators, it was discussed that they are data elements that help determine the measure/quality of any action. For instance, an assessment of 'the state of health of a person' can be made by using a number of indicators that can be measured easily and on which there is general agreement. These could include blood pressure, blood sugar, pulse rate, etc. The individual indicator is not an effective means of making the assessment on which there is general agreement. Broadly there are four types of indicators that can be used: input measuring physical inputs like time, person power, material equipment; process measuring timeliness, procedural correctness, quality of participation, gender sensitivity etc.; output - measurable units of service/ goods; and outcome: ones that determine the effectiveness of the overall program in achieving the goals.

Group exercises were held and in the process of making these indicators, most participants realized that making good, simple and clear indicators are not something very easy. The lesson, for the entire group was that good and precise indicators help us to make our plan more realistically and thereby it becomes easier to implement the project.

2.5 ECONOMIC LITERACY WORKSHOPS

The PROSPECT project was designed so that phase II capacity building activities identified in the previous sections would continue throughout the entire course of the project. The main thrust of the third and final phase of the project centered on the specifics of macroeconomic policy and the budget process at the federal level.

In February 2004 PROSPECT's sub contractors, the Centre for Public-Private Cooperation (CPPC) and the Centre for Research and Documentation (CRD) held a four day workshop on economic literacy, macroeconomic policy and the budget process in Ibadan. Each of the PROSPECT sub grantees had contacted a potential technical advisor to assist with proposed economic literacy training and that individual (a senior academic) also participated in the inaugural workshop organized by CPPC. Finally, the list of participants was extended to other organizations that PROSPECT had met during the Phase I assessment process as part of an overall approach which was to be as inclusive as possible.

The workshop included presentations and discussions on the following themes:

- Understanding an Economic System
- Role of the Government in Economic Management
- Locating Ourselves in Relation to Budgeting: Interest, Power the Budget
- Budget as a Tool of Economic Management
- Content and Structure of Public Sector Budgets
- Element of Budget Analysis
- Budget Implementation and Economic Performance
- Fiscal Budget and Poverty Concerns
- Macroeconomics & Budgeting Principles and their Application to the Issues of Transparency/Anticorruption
- Macroeconomics & Budgeting Principles and their Application to Gender
- Macroeconomics & Budgeting Principles and their Application to Agriculture

- Macroeconomics & Budgeting Principles and their Application to SMEs
- Macroeconomics & Budgeting Principles and their Application to Environment
- Enhancing the Role of Civil Society in the Budget Process

In addition, the workshop had a number of breakout sessions and ‘business’ sessions where each of the sub grantees agreed upon common approaches for the next stage of the project which was to involve a series of economic literacy workshops – structured thematically – in each of the geopolitical zones. The purpose of this was two fold: first, as the name suggested, the economic literacy training would raise basic awareness of macroeconomic policy as pertains to a specific constituency and, secondly, they would permit the sub grantees to better assess the situation on the ground as they developed their advocacy campaigns. In short, the discussion centered on how to ensure that the economic literacy workshops were not simply ‘one-way’ conversations but rather a two way dialogue. The business sessions also discussed milestone and indicators and it was agreed that due to limited funds and the complexity of the challenges ahead, that each zonal workshop would reach 10-15 key organizations that had a strong track record in the particular constituency. The total number of organizations/individuals targeted would be between 300 and 450. Other items agreed upon were questionnaires to track progress and other methods for collaboration.

Each sub grantee and their technical advisor – working with the PROSPECT staff and sub contractors – developed individual and targeted curriculum for their economic literacy workshops, each which can be found in the annex to this report.

By the end of the 29 workshops, PORPSECT had exceeded the original target by approximately 77.3 % and had reached a grand total of 665 individuals of which 460 (69%) were male and 205 (31%) were female. Analyzing the participant data further reveals the following information:

Table 2: Participant Data Broken Down by Zone

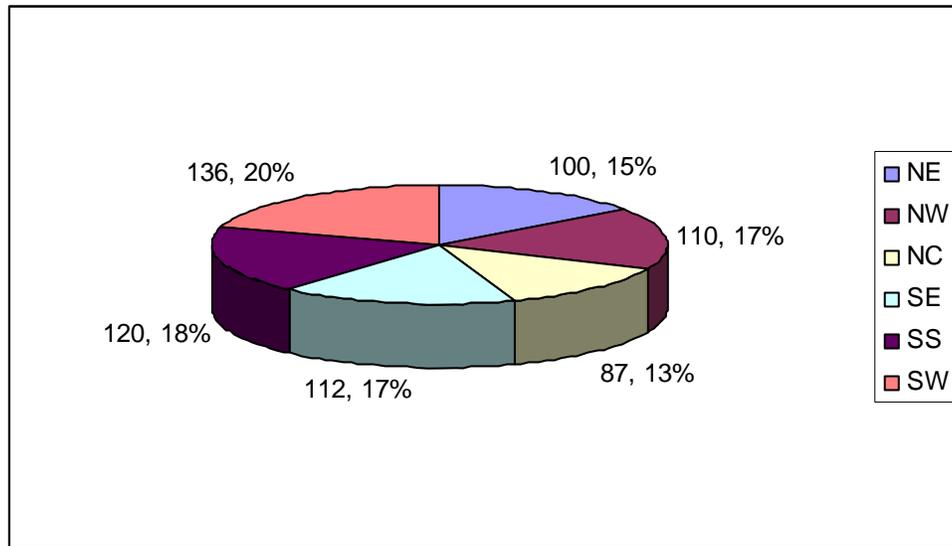
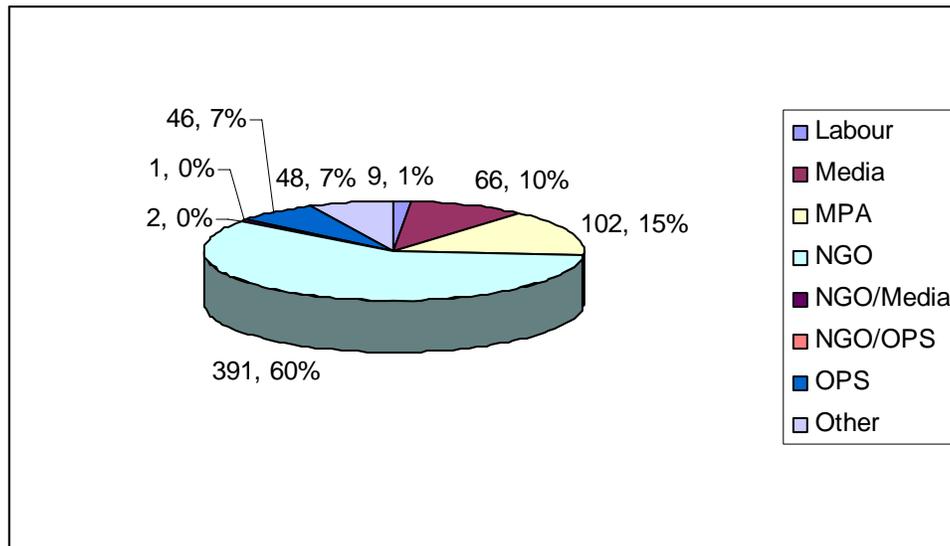


Table 3: Participant Data Broken Down by Type



2.6 TRAINING FOR ADVOCACY

Each of the PROSPECT sub grantees also received training in the area of advocacy and, more specifically, economic policy advocacy. In the first phase of the PROSPECT project it was noted that many of the activities that Nigerian NGOs engaged in were limited to information dissemination or ‘sensitization’. Given the recent political history this was understandable, but requests were made for more training in this particular area. Indeed, the project was designed in such a way that the economic literacy workshops (see previous section) were to pave the way for more focused advocacy activities. As such, the PROSPECT office provided 2-3 day training for each organization on advocacy.

The objectives of each advocacy workshop were:

- To equip participants with basic skills in advocacy and lobbying
- To provide the participants with knowledge about the policy environment, discuss and identify strategies to influence policy processes
- To assist participants to identify and prioritize an advocacy issue and develop action plans
- To help participants identify and critically examine methodologies for economic policy advocacy with specific reference to the federal budget process

This material was summarized and included in the economic literacy workshops and additional requests were made of the PROSPECT office to repeat the training.

The training consisted of the following components:

- Overview of Advocacy
- Advocacy Issues, Objectives, and Power Dynamics
- Strategic Communication/Audience Analysis
- Message Development and Delivery
- Advocacy Implementation Plan

2.7 MISCELLANEOUS ASSISTANCE TO CSOS

PROSPECT endeavored to be as responsive as possible, recognizing that mid way through the project the political landscape significantly changed with the President's establishment of a dynamic economic reform team – headed by the Federal Minister of Finance – which was eager to engage with all segments of Nigeria, including civil society. As a result, while working with CSOs in planning and conducting scheduled activities under the project, PROSPECT staff also provided technical assistance and additional sub grants to organizations in a number of related areas.

- PROSPECT provided technical assistance and financial resources (sub grant) to the Publish What You Pay (PWYP) Coalition to engage with the Nigerian Extractive Industries Transparency Initiative (N-EITI).
- PROSPECT provided technical assistance and financial resources (sub grant) to a newly formed organization – the Budget Transparency Network – which arose from prior activities/inputs from other donors as well as the PROSPECT project.
- PROSPECT provided technical assistance and financial resources (sub grant) to the 'Stolen Wealth' Campaign to assist in advocacy activities centered on ensuring that funds returned by the Swiss government were properly monitored.
- PROSPECT provided resources to the Freedom of Information (FOI) coalition to assist in its advocacy work in Abuja in December 2004
- PROSPECT provided technical assistance to the approximately 30 popular organizations on institutional development issues, particularly related to economic policy, the budget process and advocacy strategies.
- PROSPECT provided technical assistance and facilitated contact and communication between CSOs and federal authorities such as the FMF, the Due Process Office, the Budget Office, the ICPC and other relevant offices.
- PROSPECT – working in conjunction with DAI and the USAID funded Budget Office Support Project – provided resources for an interactive session in 2004 bringing together representatives of the FMF/Budget office, the National Assembly and leading CSOs to discuss the direction of the 2005 budget.
- PROSPECT – in addition with other USAID IPs (NDI/DAI) – facilitated contact and communication between leading CSOs involved in the areas of economic policy and other donors (DFID, CIDA, UNDP, EU, OSIWA etc.).
- PROSPECT – in addition with DAI – provided technical assistance and resources to the Due Process office to hold a workshop on proposed legislation guiding that agency and to map out strategies/opportunities to work with CSOs.

Publish What You Pay

In February 2004 PROSPECT was asked to attend the inaugural meeting of the Publish What You Pay (PWYP) Coalition which was held in Port Harcourt. Technical assistance was sought on matters of budget monitoring, the role of CSOs, networking, and advocacy strategies. These inputs continued throughout 2004, with PROSPECT facilitating a number of coordinating meetings through the summer of 2004 along with Catholic Relief Services (CRS) and Save the Children (UK). With the PROSPECT project receiving a 6 month no cost extension in September 2004 – coupled with reallocation of project financial resources – an opportunity existed to provide more formal technical assistance and financial resources to the coalition. PROSPECT conducted an assessment of the PWYP coalition secretariat – hosted by the African Network for Economic and Environmental Justice (ANEJ), located in Benin City. A meeting was also held with one of the organization's principle donor, the Heinrich Boell Foundation, to assess matters pertaining to financial management. The information gathered from these meetings

concluded that ANEEJ/PWYP met the criteria used in the first phase of the PROSPECT project in selecting the original sub grantees and a sub grant agreement was subsequently put in place, the major component being directed towards assistance in advocacy and the holding of its first annual meeting.

At the annual meeting the PROSPECT project used the opportunity to apply the IDF tool to the coalition and to work with the coalition members to develop a work plan, a code of ethics, and other institutional matters. A senior MSI specialist served as facilitator for this exercise. In addition, the annual meeting served as an opportunity for further advocacy, with formal presentations being made by the N-EITI secretariat, government representatives and legislators.

Budget Transparency Network

From the inception of the PROSPECT project efforts were made to ensure that the project was not restricted to the original 5 sub grantees. The economic literacy workshops had, as a clear objective, the task of reaching a wider audience of CSOs interested in participating more actively in economic policy matters. Thus they reached into the organizations who had participated in the focus group sessions, as well as tapping into other relevant donor projects (DFID, OSIWA, Heinrich Boell Foundation, EU, etc.). The logical outcome was the need for a network. PROSPECT facilitated this by holding a workshop on networking and to provide an opportunity for interested organizations to discuss how to establish, structure and operate such an entity. At the workshop models found in other African countries such as Uganda, Kenya, Ghana, and Malawi were examined as well as how regional networks such as the South East Budget Network had performed were discussed. The Budget Transparency Network was formally launched with representatives from each of the geo-political zones forming a steering committee. 2 of PROSPECT's original sub grantees were part of this steering committee (ABANTU and CASSAD).

Again, the no cost extension for the PROSPECT project provided an opportunity for providing more formal technical assistance and financial resources and a sub grant agreement was put in place following a financial assessment of the network's secretariat – Socio Economic Rights Initiative - to provide for advocacy and training. Under this agreement a number of advocacy inputs were made on this issue of procurement legislation, the proposed fiscal responsibility bill and other related legislative initiatives put forth by the economic reform team. Meetings were held with key government officials in both the executive and legislative branches of government. Workshops were also held on training the media for better reporting on economic budgetary policy matters; training was held to better understand the newly adopted Medium Term Expenditure Framework; and a series of position papers were developed as part of planned advocacy activities pending the final approval of the 2005 appropriations bill.

Stolen Wealth Campaign

Just as the PROSPECT project received its no cost extension in September 2004 the project was approached by one of the organizations it had already had a working relationship with to provide technical assistance and financial resources for a new campaign whose objectives were to develop the necessary technical skills to monitor how funds returned to Nigeria would be used to meet the publicly stated millennium development goals (MDGs).

As the campaign was being headed by the same NGO where the PWYP coalition secretariat was being hosted and had previously underwent a detailed organizational assessment to gauge its capacity to manage grants, a sub grant agreement was put in place following the submission of a proposal and workplan. An initial meeting was held in October 2004 with representatives from the Federal Ministry of Finance (FMF) and members of the diplomatic community participating along with representatives of a Swiss coalition working on the issue along with over 40 Nigerian NGOs and representatives of the media. Subsequent advocacy meetings were held with both representatives of the Swiss and Nigerian governments. Technical training and assistance was given in the form of communications strategy.

2005 Budget Interactive Sessions

The PROSPECT office worked with the Budget Office Support Project implemented by DAI to organize and fund an interactive session organized by the Budget Office within the Federal Ministry of Finance. The Director General of the Budget Office had requested assistance for part of a series of meetings with stakeholders (OPS, CSO, Legislators, etc.) to explain the 2004 budget and to seek input into the formulation of the 2005 budget. Representatives of more than 30 NGOs (who had recently established the Budget Transparency Network) participated along with members of the house, senate, presidency and the FMF. Participants commented that this was the first such exercise which moved beyond ‘consultation’ and towards participation. During the working sessions senior members of the budget office and FMF worked with CSOs on recommendations for input into the 2005 budget.

Budget Monitoring/Price Intelligence Unit

As with the Budget Office/Civil Society assistance, the PROSPECT project was approached by the Budget Monitoring Price Intelligence Unit (BMPIU) within the Presidency to hold a 2-3 day workshop to (a) educate members of civil society about the work of the office; (b) to explore ways to establish a more formal relationship with representatives of civil society; and (c) seek input on proposed legislation underpinning economic reforms. The workshop was attended by more than 40 leading CSOs, had presentations from members of the house and the senate, the World Bank, BMPIU staff as well as the Minister of Finance, Dr. Okonjo-Iweala and the head of the BMPIU, Mrs. Oby Ezekwesili.

Donor/CSO Collaboration

The field of public expenditure management (PEM) has become increasingly attractive to a variety of donors operating in Nigeria, including USAID through the PROSPECT project. In addition to PROSPECT, donors had funded projects in PEM at the local, state and regional level. In addition, there were a number of donor funded initiatives which focused on particular sectors (i.e. oil) or on cross cutting themes (i.e.: gender). Even within USAID there were a number of initiatives that coincided with the PROSPECT project. These were the Budget Office Support Project implemented by DAI and the National Democratic Institute’s work with the national assembly. Recognizing the need for greater coordination and collaboration – both between the USAID funded projects and amongst members of the donor community, the PROSPECT COP held a series of meeting with representatives from DFID, UNDP, UNIFEM, World Bank, EU, CIDA, CRS, Save the Children (UK), the Heinrich Boell Foundation, OSIWA and others on the need to establish a regular forum where donors could meet amongst themselves and with key CSOs working in the area of PEM to gather and share information, to identify areas for mutual collaboration and to better coordinate activities in order to achieve the greatest impact. A loose quarterly schedule was agreed upon and NDI hosted the first of these meetings in September 2004 with subsequent meetings taking place at the Centre for Democracy and Development (CDD) in December 2004 and DFID in March 2005, with Oxfam agreeing to host the 4th meeting in June 2005.

3. SUMMARY OF PROGRAM OUTPUTS

The PROSPECT project projected the achievement of seven project-level results (outputs) and three impact level results (outcomes). Targets and accomplishments for each of these results are summarized below.

3.1 PROGRESS IN ACHIEVING RESULT 1: UNDERSTANDING OF ECONOMIC GOVERNANCE

The leaders of between 300-450 CSOs have a better understanding of the concept of economic governance and the role of civil society in assuring economic governance.

Target: leadership of 300-450 CSOs.

Achieved: leadership of over 563 CSOs.²

PROSPECT project activities contributing to achievement of this output

Economic literacy workshops provided an opportunity for the leaders of CSOs to learn about, and discuss the implications of, economic governance. Other activities provided these leaders with opportunities to deepening their understanding of economic governance through practice.

Comments/Observations

The leaders of over 550 CSO organizations were trained in the concepts of economic governance, civil society, and the role of CSOs in promoting and participating in democratic governance. An economic literacy test was administered to the participants by each of the projects sub grantees revealed that these leaders scored an average of 66%. The baseline data was, however, not a similar tool as focus group responses were used and the qualitative assessment is that the economic literacy levels were very poor and thus the average of 66% marks an impressive increase in knowledge and skills.

3.2 PROGRESS IN ACHIEVING RESULT 2: INSTITUTIONAL CAPACITY DEVELOPMENT

Improvement in select areas planning, organization mission, staffing skills and macroeconomic policy skills

Following the application of the IDF tool at the beginning of the second phase of the project, targets were set for improvement in select areas planning, organization mission, staffing skills and macroeconomic policy skills. The base line data can be found in section 2.2 above, but the general thrust was to move from the ‘consolidation’ stage to the ‘sustainability’ stage in three of the four areas and from the ‘development’ stage to the ‘consolidation’ stage in the area of macroeconomic policy.

	Planning	Mission	Staffing Skills	Macroeconomic Policy Skills
Baseline	3.13	3.40	3.28	2.45
Target	4.00	4.00	4.00	3.00
Achieved	4.04	3.84	3.82	3.53

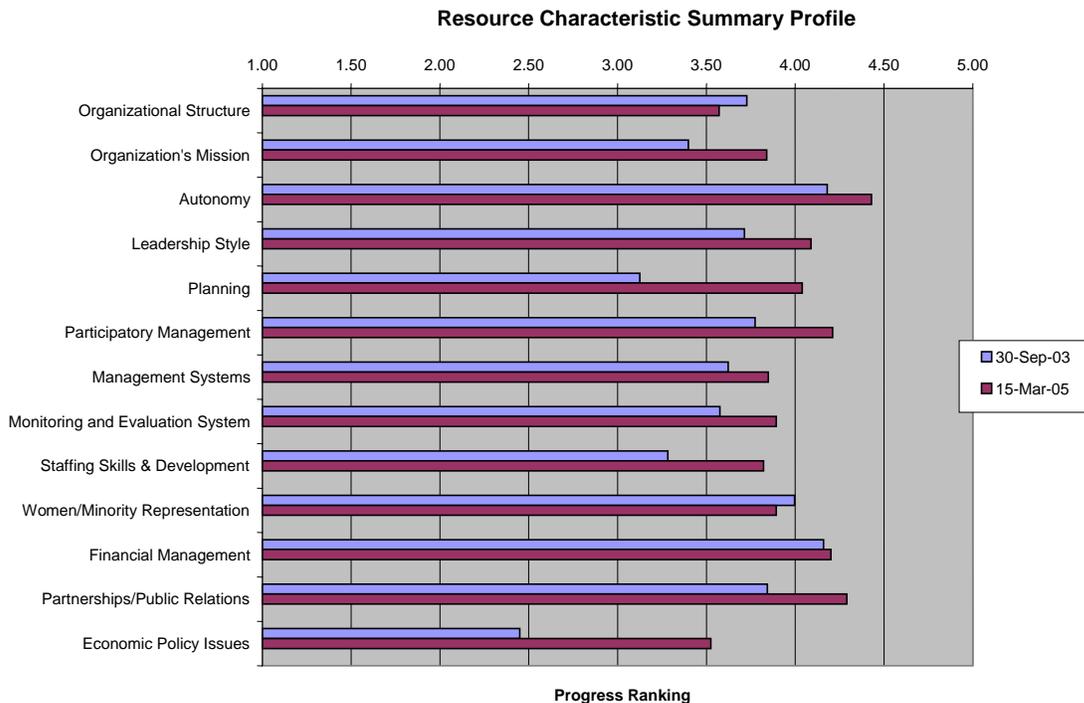
² Total participation in all of the economic literacy workshops was 665. However, 102 of these participants were from ministries, parastatals or agencies (MPA) and these are not calculated in this output.

PROSPECT project activities contributing to achievement of this output

Sections 2.3 to 2.5 (detailed previously) highlight the inputs which were used to contribute to the achievement. Generally they consisted of individual technical assistance by the COP and other MSI staff, PROSPECT sub contractors and staff. In the area of macroeconomic policy, each sub grantee contracted a local expert to assist and the training they led through the economic literacy workshops and subsequent advocacy campaigns.

As the above notes, in 2 of the 4 target areas (planning/macroeconomic policy), the goals set were exceeded while the other 2 areas (mission/staffing skills) the goals were not quite met, though there was improvement. It should be noted that changes in mission statements (here the objective was to better incorporate the issue of macroeconomic policy) are traditionally slow and the intervening time line of 18 months may not be sufficient to capture change (though the goals were collectively set by the sub grantees). Similarly, staffing skills are difficult to track in such a short period. It should, however, be noted that the collective scoring of staffing skills was lower due to limited resources in funds for professional development. In the area where PROSPECT provided funding (in economic literacy) the ranking met the targeted areas. More detailed information can be reviewed from the IDF material provided in the annex. The complete data on all of the areas covered in the IDF is presented in table 4.

Table 4. Institutional Development Profile (weighted)



3.3 PROGRESS IN ACHIEVING RESULT 3: CAPACITY FOR ECONOMIC EDUCATION

25 economic education trainers in organizations participating in the project have the technical skills and material necessary to conduct economic education and civic mobilization in their respective constituencies.

Target: 15 trainers.

Achieved: 25 trainers.

PROSPECT project activities contributing to achievement of this output

One training of trainers' workshop for delegates of sub grantees, their technical advisors and other CSOs.

Comments/Observations

Economic education is a core strategy in promoting economic and democratic governance because it prepares citizens for the role they are expected to play in the public policy process. CSOs see economic education as a critical part of their role in the community. As noted above, many of the people from CSOs that participated in the economic literacy workshops returned home and immediately began training others.

3.4 PROGRESS IN ACHIEVING RESULT 4: ADVOCACY

Estimated 5 advocacy campaigns developed and implemented by CSOs and coalitions of these organizations.

Target: 5 advocacy campaigns.

Achieved: 8 advocacy campaigns have been conducted by CSOs

PROSPECT activities contributing to achievement of this output

Strategic development working sessions assisted sub grantees and coalitions to identify areas in which advocacy is needed. Technical assistance to sub grantees and coalitions aided the planning of advocacy campaigns. In addition, the structure of the project – with economic literacy workshops taking place first – allowed for the sub grantees to receive input from other organizations on the issues and permitted a dialogue to take place to refine the advocacy campaign and to assemble loose coalitions to implement their respective advocacy campaign.

Comments/Observations

Advocacy campaigns targeting decision-makers at the federal level to obtain information on past expenditure in targeted areas and use of government resources in support of local activities and priorities as well as providing policy alternatives. Advocacy campaigns to influence decision-makers included actions to gain the support of officials for policy actions, as well as campaigns to influence and mobilize community action.

The advocacy undertaken by PROSPECT sub grantees and other civil society organizations that have participated in the project may appear modest in relationship to what is traditionally understood as a full blown 'advocacy campaign' by large and nationally influential civic organizations or coalitions.

However, whether undertaken by individual sub grantees or partners recruited by sub grantees, the civic actions reported to the PROSPECT office correspond to both the project objectives as well as to the present day realities of Nigeria where government traditionally has not sought input from civil society in the formulation of public policy and where, more generally, civil society and government have a deep distrust of each other.

3.5 PROGRESS IN ACHIEVING RESULT 5: INCREASED NETWORKING AMONG CSOS

Establishment of a network/coalition to examine budgetary/macroeconomic public policy at the federal level.

Target: 1 network/coalition established.

Achieved: 3 networks/coalitions established.

PROSPECT activities contributing to achievement of this output

Strategic development working sessions assisted sub grantees and coalitions on the structure/operations of networks/coalitions. One coalition also received IDF training and assistance in developing annual workplan.

Comments/Observations

Networks/coalitions of CSOs in Nigeria have had a ‘checkered’ past and where they have failed the common denominator appears to have been heightened competition over limited donor resources resulting in increased rivalry and/or organizations simply becoming disenchanted with the process – some to the point that they refuse to participate in such networks/coalitions. This being said, the very fact that there are limited donor resources speaks to the need for networks/coalitions where limited resources can be pooled together to have a greater impact.

With these factors in play, the PROSPECT project sought to focus more on the functional aspects of creating an operational network/coalition with workshops stressing issues such as a code of ethics to serve as a guide. Of the three networks/coalitions established through the PROSPECT project – the ‘Publish What You Pay’ coalition; the ‘Stolen Asset’ coalition and the ‘Budget Transparency Network’ – the latter had the most direct relevance to the project’s focus on budgetary policy and was the first established (May 2004). The network, however, had no operational budget nor secretariat and while it organized a number of key policy interventions with key government officials (the Budget Office/Ministry of Finance), it was not until the PROSPECT project’s extension in September 2005 that it was possible to extend more financial assistance to the network to allow it to have a more formalized presence and to embark upon advocacy campaigns surrounding issues such as Procurement Legislation and the 2005 budget. The remaining two coalitions were more tightly focused around specific issues and benefited not only from PROSPECT’s support (technical and financial) but from support of international organizations as well. The PWYP coalition is part of a global campaign and thus received technical and financial support from a variety of sources. The same is true for the Stolen Wealth coalition, which benefited greatly from technical assistance from a Swiss based coalition and is an excellent example of the so called ‘north-south’ cooperation. It should also be noted that both these coalition only received financial assistance during the six month extension period and this period of time was too limited to see direct impact in their targeted areas – though each coalition was able to embark upon a series of meetings with key government officials and other interested parties, all of which was widely reported in the Nigerian

media. Given their focus, it is expected that each will continue to have meaningful impact and, ultimately, contribute to the greater legitimacy of targeted macroeconomic policies of the FGN.

4. PROGRAM OUTCOME

All activities under the PROSPECT project contributed to the desired areas of outcome. By educating CSOs about the principles and practice of economic governance, and the importance of CSO participation, PROSPECT's actions motivated CSOs to educate and mobilize their respective constituencies' to take action. Each activity brought CSOs together, often with the participation of local, state and federal authorities, and promoted networking and coalition building. PROSPECT provided technical assistance and a framework for organizations and authorities to identify priorities, define strategies, and take action to address these priorities.

4.1 PROGRESS IN ACHIEVING OUTCOME 1: ACTIONS TO EDUCATE AND MOBILIZE

Strategic Approach

The Economic Governance workshops held by PROSPECT sub grantees served to stimulate CSO understanding and interest in educating and mobilizing citizens, as well as providing a model for technical approaches to complicated subjects. Sub grantee participation and the role of CSOs in stimulating and channeling this participation, was a core theme in these workshops. PROSPECT followed up on this by assisting local organizations to develop strategies that included public information, education and mobilization as a critical element. Finally, PROSPECT provided training to over five hundred representatives from CSOs to develop their capacity to provide quality economic education for their respective constituencies.

Comments/Observations

The CSOs participating in the project realized acutely that for economic governance to become a reality it was necessary to educate and mobilize their respective constituencies (gender, agriculture, environment, etc.) on key issues. Immediately following the economic governance seminars, participants went back and repeated this training within their own organizations and with other popular organizations in their localities with the training material developed through the project.

In response to a questionnaire administered by PROSPECT at the end of the project, 63% stated that they had conducted economic education activities with their members. 47% stated that they had done economic education with others in their community. 84% said that they had conducted public information and education programs with their members and the community to sensitize them to key issues and mobilize their participation.

4.2 PROGRESS IN ACHIEVING OUTCOME 2: NETWORKING AND COALITION BUILDING

Strategic Approach

PROSPECT's strategy built networking and organizational collaboration through a progressive approach. First, CSOs were brought together to learn about and discuss economic governance and their role in that important process in a series of focus groups. This provided an opportunity for CSOs to understand the importance of working together. Next, the economic literacy workshops and follow-on strategy-planning sessions provided an opportunity for dialogue and cooperation between CSOs to continue, and for the process to expand to include local, state and federal authorities and other interested parties, such as the media. PROSPECT encouraged the informal collaboration formed to become formalized through creation of a formal network, with established structure and bylaws. Given time constraints, it was not possible for the network to establish itself as a recognized as a legal entity, but assistance was given to the development of a workplan in which this was a key element. Once these networks/coalitions were created, PROSPECT further expanded networking and coalition building through sponsorship of workshops and advocacy inputs to both Nigerian and international bodies (IMF/World Bank country visits) This strategy resulted in the establishment of recognized mechanisms for aggregating the interests of citizens in Nigeria.

Comments/Observations

Although the majority of CSOs stated during the focus group sessions (baseline) that they belonged to a network or coalition, the degree of networking and coalition building has expanded under the PROSPECT project. Coalitions have been formed in each of the geopolitical zones, as have Sectoral coalitions (i.e. gender, environment, agriculture, etc.). In addition to these informal coalitions, CSOs have created formal coalitions (Gender Budget Network; Niger Delta Budget Monitoring Group) and are in the process of forming regional coalitions (PWYP). In some cases, coalitions have established formal mechanisms for collaborating with government authorities (PWYP was working to establish and sign a MOU with the N-EITI secretariat). In other cases the coalitions have not formally included authorities but, rather, collaborate with officials as needed (BTN, Stolen Wealth coalition).

The formal networks/coalitions are focused on one core issue: the development of capacity to contribute to the formulation of macroeconomic public policy and the budget process. By selecting this issue which concerns the membership of all CSOs, the coalitions have been able to bring together a wide variety of groups that usually do not cooperate/collaborate. Given the context, this represents a significant achievement.

The fact that these organizations recognize that they have shared interests that transcend their differences goes a long way toward building citizen participation and the accountability of government officials to their constituents. Furthermore, as noted below, popular organizations are working together for their common future.

4.3 PROGRESS IN ACHIEVING OUTCOME 3: INCREASED ADVOCACY

Strategic Approach

PROSPECT worked with individual organizations, coalitions, and groups of coalitions to identify priorities and take action. The economic governance workshops stressed the importance of working together on targeted issues. Forums provided an opportunity for dialogue with government officials and other civil society organizations, and furthermore built a joint commitment to work together to improve the development and implementation of public policy. Strategy-planning sessions assisted with developing realistic strategies that used available resources to address issues. Technical assistance for planning projects and for enlisting the help of CSOs and collaborating with others helped to turn these strategies into action.

Comments/Observations

The increased knowledge and understanding of economic governance in CSOs was translated into action at and beyond the federal level – PROSPECT’s primary target. PROSPECT’s sub grantees, their partners, and other CSOs and coalitions/networks of CSOs have undertaken numerous advocacy campaigns and begun the process of establishing formal and informal linkages with government officials. Furthermore, the vast majority of these actions have been successful, both in terms of achieving their desired results and having a longer-term impact (e.g. in building collaboration among groups and with government officials) that increases both economic and democratic governance.

The coalitions themselves focused on planning and implementing the advocacy priorities that had been identified as a result of the focus group sessions held during the first phase of the PROSPECT project. As these entire advocacy priorities focused on economic issues underpinning specific sectoral (agriculture/rural development; environment) or cross sectoral (i.e. gender; corruption) areas, a concerted effort was made to engage with the newly appointed economic reform team. Representatives of Nigerian CSOs participating in the program noted that this marked the first time that senior level federal politicians and bureaucrats met and engaged with civil society in a sustained and meaningful manner. And while these meetings often covered contentious issues, the fact that all parties agreed to meet again indicates that both the ‘supply and demand’ side of the public policy equation were being improved.

5. LESSONS LEARNED AND RECOMMENDATIONS

The PROSPECT project purposefully maintained a flexible approach to implementation, which enabled it to adjust to changing conditions and in function of lessons learned. These lessons learned and recommendations to USAID on future programming are presented in the following sections.

5.1 LESSONS LEARNED

Lessons learned during project’s implementation can be summarized as follows:

5.1.1 Issues and Challenges

Unsurprisingly, the PROSPECT project’s experience reinforces the basic point that civil society capacity to influence policy is heavily shaped by the political and institutional context. In Nigeria, the transition to democratic governance and – in particular – the recent drive to embark upon economic reforms - provides opportunities and openings. The challenge is that there are few real openings of democratic space at the national level to allow for genuine dialogue around budget priorities. As a result, the best role that CSOs can play is that of increasing general awareness of budget issues, enabling civil society actors to put increased pressure on governments to be open and responsive. It would be welcome to identify other opportunities in projects directly assisting the executive and legislative branches of governments to encourage active participation of civil society. The PROSPECT project worked positively with other USAID Implementing Partners on an informal basis. A move towards more formal arrangements amongst IP’s and projects would be positive development.

One of the main challenges for CSOs seems to be identifying the right links for affecting policy change, or making sure that ‘the right messages get to the right people at the right moment’ when an opportunity to influence policy choices presents itself. Many organizations seem to have experienced difficulty in identifying more appropriate entry points for ensuring that their policy demands are heard. In situations where linkages with policy-makers are difficult to establish, it may make more sense for CSOs to focus

on public expenditure management awareness among other civil society actors, and creating networks with other organizations that can be helpful in putting more pressure on governments.

5.1.2 CSOs recognize the advantages of formal networks and coalitions.

Networks have a checkered history in Nigeria – due in large part to an unhealthy competition amongst too many CSOs for too few donor dollars. And it is important to note that a number of challenges exist as a result.

At the start of the PROSPECT project many of the participants in the focus groups sessions indicated that they were part of such local/regional networks, alliances and coalitions and they reported that these while these were often ‘formally’ based – the reality was that they were only operational if funds were available, reiterating the point made in the previous paragraph. One of the major impacts of the project has been that both the leaders of popular organizations and their general membership became strongly conscious of the need to formalize these relationships, of the need to put in place viable structures both internally and in the working relationship between CSOs.

5.1.3 CSOs understand the need to work constructively with government officials.

During the first phase of the PROSPECT project it was repeated that most civil society organizations had minimal contact with government officials, especially at the national level. The reasons underpinning this have been detailed elsewhere in this report. Given PROSPECT’s emphasis upon not only economic literacy, but the desire to increase advocacy skills and to ensure that targeted national level macroeconomic policies were legitimated, there was a strong emphasis upon ensuring that PROSPECT engaged with government officials. This process of dialogue and cooperation between civil society and government officials – both elected and senior level bureaucrats - was generally successful and facilitated the development of a more harmonious climate. The support of government authorities – particularly from the FMF Budget office, the N-EITI secretariat, and the Due Process office – also facilitated access to the public policy process. This being said, there remains much to be done in this area and CSOs need to initiate and strengthen lines of communication and interaction with government. CSOs have a responsibility to present well researched, responsible positions to government on matters of mutual concern.

It should be noted, however, that on a number of occasions, the nature of this engagement was turbulent; government officials would complain of the ‘uncivil’ nature of civil society and civil society would argue that government officials were not accessible and/or forthcoming with relevant information. The PROSPECT staff played a discrete but important role in serving as mediators and it is felt that once tensions subsided, the previous experience of working together in a cooperative manner greatly facilitated the restoration of a climate of dialogue amongst the parties.

5.1.4 There is an over-reliance on donor assistance

A general consensus exists to the effect that Nigerian CSOs have become overly dependent on the donor community in order to concretely resolve problems through the implementation projects. Activities such as coalition building, working with officials in identifying and prioritizing problems and potential solutions and available resources directly addresses this dependency factor must be addressed in future activities, and are appreciated as a necessary step in the right direction.

On another level, CSOs and CSO members do not have a regular habit of working together to brainstorm in order to analyze problems and identify potential solutions. Unless donor funds are available, organizations tend to halt their activities/participation.

PROSPECT staff adopted a methodological approach which actively encouraged more cooperation, thereby reinforcing these individual’s abilities to work together ever more efficiently.

5.1.5 Practice is a Critical Element to the Learning Process

PROSPECT's approach relied less on theoretical or conceptual training in advocacy and more on the practical application of these concepts. To our knowledge, prior to the PROSPECT project, USAID/Nigeria had not partnered with civil society organizations to engage in the public policy/advocacy process (there had been a number of successful activities orientate towards service delivery). PROSPECT staff believes that the record will show that the PROSPECT project had a significant impact, despite significantly limited resources- both financial and time. The critical difference was in PROSPECT's reliance on the application of desired changes in behavior.

5.2 RECOMMENDATIONS FOR FUTURE PROGRAMMING

5.2.1 Continued Support for civil society engagement in public policy at the federal level – particularly in the economic policy/public expenditure management arena.

PROSPECT's partners, other civil society leaders, and government officials have all urged the PROSPECT team and USAID to continue this important work. Our primary recommendation is that USAID/Nigeria continues to support the development of CSO engagement in the public policy process in Nigeria in a way that supports the practice of economic and democratic governance.

5.2.2. Continued funding, preferably through grants/sub grants

While it is important that CSOs mobilize their own resources to resolve problems and issues – and the PROSPECT's cost share dimension underscored this point - it is unrealistic to expect that these limited resources will be sufficient. Grant/sub grants to CSOs would be the preferred mechanisms as they provide ownership and foster greater sustainability.

6. CONCLUSION

The PROSPECT project enabled civil society organizations in each of Nigeria's geopolitical zones to learn their roles in the public policy process, specifically in the field of economic governance and public advocacy and, ultimately, in democratic governance. The capacity building in economic governance and advocacy in particular went beyond simply distributing information and public education. Information is, of course, a necessary element for learning about the practice of democracy, conveying information is not in and of itself sufficient. What is learned must be applied and CSOs must ultimately learn by doing. By working together to solve problems; by meeting frequently to discuss issues and exchange views; by teaching these practices and the skills they require to others; by repeatedly engaging in debates on issues of importance; and by participating in the process of governance. This was achieved under the PROSPECT project.

Indeed, in the context of Nigeria's recent political history where civil society groups and government have traditionally talked not to each other but, rather, at each other and where a serious distrust existed, the very fact that popular organizations, civil society groups, local community leaders, and government officials came together under the auspices of the PROSPECT project and demonstrated a remarkable openness to making democratic governance a reality is a significant indication of progress. This greatly assisted project implementation and the work of the project's field staff. The PROSPECT project was able to focus on creating practical experience in the practice of economic and democratic governance, with project partners working alongside government in identifying issues in a way that shares the responsibility for establishing priorities, defining responses, and allocating and managing public resources. At the conclusion of this project, MSI feels confident that its partners in the PROSPECT

project will achieve their objectives of engaging in the public policy process and thereby add greater legitimacy and ultimately deepen Nigeria's democracy. The high motivation and dynamism the CSOs involved as well as the ability to replicate the technical training strongly suggests this successful outcome.

However, without access to financial resources to fully engage in the public policy process, it is highly doubtful that these individual organizations and coalitions will be sustainable. The PROSPECT staff strongly believes that the developmental potential of such organizations and coalitions is such as to make them a viable partner, further training, technical assistance and administrative and financial support and supervision would be needed from any donor seeking to establish such a partnership.